ARTHUR JAMES BALFOUR, M. P.
From a photograph by Elliot & Fry, London.

cheating in the preparation of food supplies and goods," of having "recourse to the European workman for fine workmanship in the industrial arts," of tolerating "crude, partial, and unjust Federal laws enacted for favored industries," and of various other high crimes and misdemeanors. Even our boasted engineering feats, he asserts, are paralleled or surpassed in other countries; to prove which he instances, *inter alia*, "the railway that traverses the Himalayas" and "the irrigation of Sahara"—two undertakings of whose accomplishment he must possess exclusive information.

"Any dispassionate judgment," he adds, perhaps to forestall criticism, "passed upon the inferiority of the American production or on the mismanagement of American affairs is discountenanced as being unpatriotic, and fulsome and unwarranted adulation is the only expression of opinion tolerated. And yet nothing is more purely patriotic or profoundly judicious than just censure and correct criticism. Until the American citizen can welcome dispassionate analysis errors will abound and enlightened progress will be retarded."

So much for the *advocatus diaboli*. Now list to Mr. Roosevelt's* eloquent praise of the golden pages of American history. "Every man to his own!" he cries. "We Americans cannot but feel our blood run quickest at the recital of the prowess of our own forefathers. Of course, if this feeling does not exist by nature it cannot be cultivated—there can be no self conscious simulation of Americanism; but the man in whom intense love of country is wanting is a very despicable creature, no matter how well equipped with all the minor virtues and graces, literary, artistic, and social.

"The raw conceit of the vulgar 'spread eagle' American, screaming foolish defiance at Europe, and boasting with vainglorious ignorance of everything, good and bad, in this country, is distasteful to others and harmful to himself and to those who believe him; but," continues Mr. Roosevelt—and the sentence might have been written expressly to meet Mr. Rhett Roman's contention—"it is on the whole rather preferable to the attitude of self depreciation and apologetic servility habitually adopted in relation to their own land by some of our people, who though they dwell here are in reality by education and instinct entirely un-American."

GOLD AND SILVER MONEY.

It seems likely that the Monetary Conference at Brussels will disband without taking any definite step toward the solu-

* Theodore Roosevelt was born in New York on October 27, 1858, a descendant in the ninth generation of a Roosevelt who came to New Amsterdam with Peter Minuit, the founder of the settlement. He graduated at Harvard in 1880, studied law, and was elected to the State Assembly from a city district in 1881. He served at Albany for three terms. Since 1884 his time has been divided between literature—to which he has made some scholarly contributions—his duties as a member of the civil service commission, and his cattle ranch on the Little Missouri in North Dakota. A portrait of him appears on page 420.

tion of the problems set before it for discussion. It does not follow, however, that the convocation will have done nothing to justify its existence. It has served a useful purpose in gathering together for comparison the views prevalent in different quarters of the civilized globe, in clearing the ground for definite and well considered action in the future, and in promoting public education on the questions at issue.

Even among men of education there are —or at least have been until recently—few capable of giving a comprehensive and intelligent statement of the currency controversy. That controversy has come to play an important part in contemporary politics. It is one that should, for the good of the country, be viewed from the standpoint of dispassionate study rather than partisan prejudice. For this reason anything that sets men reading and thinking upon the subject is doing valuable work.

Some of the most important facts in the case may be briefly recited. It is questioned whether the world's stock of gold money is sufficient for its needs. The bimetallists, or advocates of the use of a dual currency of silver and gold, maintain that commerce and industry are suffering from evils whose primary cause is the scarcity of gold. The monometallists, who oppose the use of silver as a full legal tender, take a contrary view, asserting that the extension of banking facilities and commercial credit systems has been ample to supply the needs of trade.

The production of silver has in recent years far outrun that of gold. The vast deposits discovered and mined in Nevada, Colorado, Bolivia, and elsewhere, have made silver increasingly plentiful, and therefore cheaper. The metal is still so largely used as money that some disturbances of commerce have resulted, and more serious ones are feared—notably in British India, whose standard of value, the silver rupee, has depreciated nearly one half. At the old standard of the Latin Union, silver was worth $1.33 per ounce. It has fallen to about 85 cents per ounce, and shows a tendency to fall yet further. It is claimed that there are mines in Colorado that can produce the metal in vast quantities at less than 30 cents per ounce.

Now the United States government is endeavoring—wisely, say some; recklessly, say others—to maintain the price of silver by purchasing 4,500,000 ounces per month —or about six tons a day. There now lies in the Treasury about $400,000,000 worth of silver bullion. Thus the government has a direct interest in the price of the metal, as a further fall of say ten per cent would mean a loss of some $40,000,000 to it.

But much more important is the general question of our financial policy. Some authorities warn us that our present course will lead to disaster; that gold, the only safe standard, will be driven from the country by the increasing flood of silver; that we shall have a monetary crisis, and that the government will sooner or later be bankrupted in the attempt to "bull" the silver market. On the other hand there is an influential political school that derides these predictions, and demands that the coinage of silver shall be absolutely free and unlimited as the only remedy for existing evils. And between the two extremes there are various "compromise opinions."

A suggested solution is that the great civilized powers should unite in a plan for using both silver and gold as money on equal terms at an established ratio—possibly twenty units of silver being considered equal to one of gold. It is generally agreed that such an alliance would be financially omnipotent, and could, so long as it was maintained, deal safely with the most difficult currency problems. But it has not been regarded as probable that any plan could be devised which would prove acceptable to all the nations whose assent must be secured.

Nevertheless, the Brussels conference was proposed by the American government in the belief that it was worth while to make an effort toward international agreement, or at least to ascertain what are the possibilities in that direction. That the authorities of the European nations shared that belief is shown by their consenting to accredit delegates to the conference. Great Britain, for instance, has sent to Brussels Sir Charles Fremantle, the official head of the Royal Mint, Bertram Currie, a leading London banker, Sir Rivers Wilson, and Mr. Alfred de Rothschild, besides two representatives of the British Indian government.

The American delegates are Ex Comptroller Henry W. Cannon, Senator Allison of Iowa, Senator Jones of Nevada, Edward O. Leach, Director of the Mint, Congressman McCreary of Kentucky, and President Andrews of Brown University. Their individual views were thus stated by Mr. Cannon to the New York *Press* at the time of his departure for the conference: "We certainly represent all the views of Americans on the subject of coinage, and as it would

be inadvisable to present all these sentiments we have practically decided upon a compromise. I believe that there is not enough gold to enable us to do without silver, but am strongly opposed to free coinage. Senator Allison takes a middle view on the question. Senator Jones is confessedly a radical free coinage man. Dr. Andrews has written an interesting volume on "The Gold Dollar," and his views are almost radically against free silver. Director Leech believes that there is too much silver in the market, and Congressman McCreary is inclined to side with Senator Jones, although by no means as radical on the subject."

The sources from which has been expected the most decided opposition to any proposal in favor of silver are Germany and Great Britain. Even in those countries, however, informed opinion is by no means unanimously monometallist. Mr. Balfour*, for instance, at a public meeting held recently at Manchester, England, strongly advocated bimetallism. He spoke, he said, according to a report in the London *Daily Telegraph*, "as a private individual, in no respect claiming to represent any party in the State;" but his own opinion was emphatic that "the bimetallic solution was possible and adequate. He did not regard it as a cure for every industrial evil, but he held that for a great commercial country a sound instrument of exchange was a matter of the first necessity, that the present instrument was a bad one, and that the one offered, if not perfect, was, at all events, practicable, and incomparably better than any which they were likely to obtain by any other means of which he had any knowledge."

THE DESTINY OF HAWAII.

SHOULD Hawaii be annexed to the United States? Is the central island group of the North Pacific so important and so necessary an outpost of our domain that we cannot afford to see it occupied by any other great civilized power? And must we, to prevent this latter consummation, violate for once at least the political tradition that warns us against interference with territories beyond our continental borders? An emphatic yes is the answer given to these questions by the *Kennebec Journal*, a paper interesting from the fact that James G. Blaine was long connected with it, and entitled to a hearing on the Hawaiian question from the fact that its present editor is Mr. John L. Stevens, United States minister at Honolulu.

"It is an accepted truism," the *Kennebec Journal* says editorially, "that nations, as well as individuals, have their opportunities and duties, and that the neglect of them, through indolence or cowardice, surely brings retribution in one form or another.

"The States and Territories which outlet on the vast Western ocean will some day have a population of one hundred and fifty millions of souls. This Pacific side of the American republic, stretching from north Alaska to south California, is to have a development of agricultural, lumber, fishing, and mineral riches, out of which will flow streams of commerce, which neither the imagination nor cold figures can well cover at the present time.

"In the front of these vast Pacific States extends the immense ocean of the Pacific. Across this vast Pacific plain must be for all time the water roads along which will move the commerce of many hundreds of millions of people. Anchored firmly between the two great oceans, America divides with Europe the commerce of the Atlantic, Europe having the advantage by numbers, position, and prestige. But on the great Western ocean America can easily take the lead and hold it securely against all competitors.

"In this immense area of water between America and Asia are innumerable islands, most of which are now possessed by England, France, and Spain, Germany but recently forcing her grasping hand into the arena. Owing to the patriotic fidelity of the American Missionary Board and its faithful agents, and to the watchfulness of American statesmen, from Daniel Webster to those of the present time, the Hawaiian Islands have not passed under a European flag. They are not yet lost to us, and their business necessities and the sympathies of their citizens are still with their American neighbors.

"It needs not the naval and the military expert to tell the importance of these islands to the United States. They front

*The Right Hon. Arthur James Balfour (the title "Right Honorable" denotes the possession of a seat in the Queen's Privy Council) was born in 1848. His father was a Scotch squire, his mother a sister of the present Lord Salisbury. After education at Eton and at Trinity College, Cambridge, he became private secretary to his uncle, then foreign secretary under Disraeli. From that point his political progress was rapid. He has been secretary for Scotland, secretary for Ireland, and is leader of the Conservative party in the House of Commons, of which he has been a member for eighteen years. In 1886, as president of a Parliamentary commission on the currency, he gained some reputation as an authority on financial topics. A portrait of him is given on page 422.